

**August 22, 2003**

**Habilitation Services Program Transfer Progress Report**

**Legislation:**

- The Department has completed a review of two Chaptered trailer bills (AB 1753 and AB 1752) related to the Habilitation Services Program. AB 1752 implements service payment rate reductions for Work Activity Program (WAP) and Supported Employment Program (SEP) services paid by the Department of Rehabilitation in FY 2003-04. AB 1753 contains the necessary language needed to transfer administrative responsibility of from DOR to DDS, effective July 1, 2004, as well as, the requirement to pay existing FY 2003-04 habilitation service rates reduced under AB 1752.

**Rulemaking (Regulations):**

- To date, all areas of the regulations (Definitions, Rates, CARF Accreditation, Audits, QA, Fair Hearing Process, Eligibility, VR Referral, Billing and Vendorization Standards) have been incorporated in the regulations package. However, internal departmental appraisal and fine-tuning continue in preparation of a final draft for follow-up stakeholder review and discussion on September 30, 2003 in Sacramento.

**Training Curriculum:**

- A preliminary training curriculum outline continues to be updated as part of the regulations process. The outline includes training topics on all the key components related to service standards oversight through the purchase of and billing for habilitation WAP and SEP services. Plans will be developed by DDS to seek stakeholder participation in the review of the proposed training curriculum.

**Other Issues:**

- Ongoing meetings with CADDIS staff have provided important guidance related to automating habilitation service billing and invoicing procedures.
- Staff considered necessary for the administration of Habilitation program would be requested through the normal budgetary process.

**Next Step(s):**

- Stakeholders will receive the latest draft of the proposed regulations via e-mail for review.